

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2021-____-E

IN RE:

Application of Duke Energy Carolinas, LLC for Approval of the Transfer and Sale of Property in Henderson County, North Carolina

APPLICATION FOR APPROVAL OF TRANSFER AND SALE OF PROPERTY

Pursuant to S.C. Code Ann. § 58-27-1300, S.C. Code Ann. Regs. 103-823, and other applicable rules and regulations of the Public Service Commission of South Carolina (the “Commission”), Duke Energy Carolinas, LLC (“DEC” or the “Company”), hereby applies to the Commission for approval of the transfer and sale of certain real estate known as the Henderson County, North Carolina property (the “Property”). The Property is located in the Company’s service territory in North Carolina. The Company is not seeking approval of cost recovery in this Application; it is instead seeking Commission authorization to transfer the Property consistent with S.C. Code Ann. § 58-27-1300.¹

In support of this Application, the Company would show the following:

1. The name and address of the Applicant is

Duke Energy Carolinas, LLC
550 South Tryon Street
Charlotte, North Carolina 28202

¹ See, e.g., Order No. 2021-377, Docket No. 2017-280-E (June 2, 2021); Order No. 2019-47, Docket No. 2018-374-E (Jan. 10, 2019); Order No. 2018-761, Docket No. 2018-333-E (Dec. 4, 2018); Order No. 2018-235, Docket No. 2018-79-E (Apr. 17, 2018).

2. The name and address of the Applicant's attorneys are:

Heather Shirley Smith, Deputy General Counsel
 Duke Energy Corporation
 40 West Broad St., Suite 690
 Greenville, South Carolina 29601
 Telephone: (864) 370-5045
heather.smith@duke-energy.com

and

Samuel J. Wellborn (S.C. Bar No. 101979)
 ROBINSON GRAY STEPP & LAFFITTE, LLC
 Post Office Box 11449
 Columbia, South Carolina 29211
 Telephone: (803) 227-1112
swellborn@robinsongray.com

3. Copies of all pleadings, orders or correspondence in this proceeding should be served upon the attorneys listed above.

4. The Company is a public utility engaged in the generation, transmission, distribution, and sale of electric energy in South Carolina and is subject to the jurisdiction of this Commission.

5. The Property consists of certain real estate that is not required for the Company's current utility operations. The Property consists of a 25.07-acre tract shown as "Tract Two" in the plat attached hereto as Attachment A. The Company acquired the Property in December 2018 for the siting and construction of a new substation. Now that the substation has been sited, the Company is able to sell the unneeded portion of the larger property.

6. The Property is being sold to Bunrootis LLC, which is not affiliated with the Company in any way. This transaction will not affect the Company's ability to provide reliable service to its customers at just and reasonable rates.

7. The Company has entered into a contract with Bunrootis LLC to sell the property

for \$1,750,000, or \$69,804 per acre. The Property received a Broker Opinion of Value valuing the property at \$1,611,199 or \$64,268 per acre. The Property has a tax value of \$1,125,442, or \$44,892 per acre. A copy of the Broker's Opinion of Value is attached as Attachment B.

8. The original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of the Company under Account 105, "Plant Held for Future Use." The difference between the sales price and the original cost of the non-depreciable Property will be applied to Account 421.10, "Gain on Disposition of Property."

9. The South Carolina Office of Regulatory Staff has been served with a copy of this application and exhibits. S.C. Code Ann. § 58-27-1300 provides that an electric utility must first obtain Commission approval prior to selling or otherwise transferring utility property with a fair market value greater than \$1 million. Therefore, DEC applies to the Commission for permission to sell the Property.

10. Applicant requests that the Commission: (i) approve this matter at the next appropriate weekly agenda session; (ii) issue an appropriate order approving the relief sought in the Company's Application; and (iii) grant such other and further relief as the Commission may deem just and proper.

11. The certification of Timothy Huie, who is Lead Real Estate Representative for Duke Energy Corporation, is attached hereto as Attachment C, and certifies that the contents contained herein are true, accurate and correct to the best of his knowledge, information and belief.

WHEREFORE, the Company requests that, pursuant to S.C. Code § 58-27-1300 and other applicable rules and regulations, the Commission enter a final order approving the transfer and sale of the Property.

Dated this 23rd day of June, 2021.

Heather Shirley Smith
Deputy General Counsel
Duke Energy Corporation
40 West Broad St., Suite 690
Greenville, South Carolina 29601
Telephone: (864) 370-5045
heather.smith@duke-energy.com

and

s/ Samuel J. Wellborn
Samuel J. Wellborn (S.C. Bar No. 101979)
ROBINSON GRAY STEPP & LAFFITTE, LLC
Post Office Box 11449
Columbia, South Carolina 29211
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Attorneys for Duke Energy Carolinas, LLC





June 22, 2021

Tim Huie
Duke Energy
2680 Walter Drive
Concord, NC 28027

Re: Broker Opinion of Value

Dear Tim,

Following up on our phone conversation, regarding a broker opinion of value for 684 Broadpointe Drive, Henderson County, NC we have researched the market. Below information on a few comparable sales.

Comparable Sold Properties:

1. 180-184 Crescent Hill Road – 20.19 acres sold in May 2021 for \$2,030,000 (\$100,545 per acre or \$2.31 per land foot)
2. 109 Overlook Road – 25.5 acres sold in December 2020 for \$1,835,000 (\$71,961 per acre or \$1.65 per land food)
3. 175 Mills Gap Road – 25.22 acres sold in July 2019 for \$1,100,000 (43,616 per acre or \$1.00 per land foot)
4. Fanning Bridge Road – 21.46 acres sold in May 2018 for \$760,000 (\$35,415 per acre or \$.81 per land foot)

Taking into account the easement, the flood zone on the subject property and the four comparable sales, JLL believed the property value is about \$64,268 per acre \$1.48 per land foot for a total of \$1,611,198.76

We hope this information helps. Please let us know if you have any additional questions.

Hunter Barron
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JLL Capital Markets
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)	

I, [Timothy Shane Huie], say that I am employed by Duke Energy Corporation as [Lead Real Estate Representative]. I have read the Application of Duke Energy Carolinas, LLC for Approval of the Transfer and Sale of Property in Henderson County, North Carolina to be filed with the Public Service Commission of South Carolina, and know the contents thereof; and that the contents are true, accurate and correct to the best of my knowledge, information and belief.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment by contempt.


[NAME]

Date June 22nd, 2021